

**City of East Providence Budget Commission
City Hall
145 Taunton Avenue
East Providence, RI 02914
(401) 435-7500**

**Meeting Minutes June13, 2013
Room 306, City Hall**

Members: Diane Brennan – present
Christy Healey - present
Stephen Bannon – present
Peter Graczykowski, City Manager - present
James Briden, Mayor – present

Other Attendees: Kat Waterbury, Human Resource Director
Malcolm Moore, Finance Director
Kim Mercer, Superintendent
Joel Monteiro, School Committee Chair
Members of the Public

The Meeting was called to order at 3:02 PM.

Item #1- Approval of full agreement between the East Providence Educational Secretaries Association – This item was approved 5-0.

Item #2 - Discussion on proposed reorganization of the Information Technology Department – Peter Graczykowski stated that the Commission reviewed the Finance at the last meeting which included moving the MIS position from the Finance Department to the Information Technology Department. The MIS position was already budgeted in the Finance Department but the need was in IT. The IT department would use the funding for the MIS position, which is the Deputy Director, for an IT manager and an IT specialist. The budget has 4 IT positions and 1 Finance position. Malcolm Moore stated that he discussed with the IT Director Kelly Ahrens and both agreed the MIS position should be moved to IT. They could then have 6 FTE's for \$15,000 less than budgeted. The savings is the downgrade of the MIS/Deputy position and the budget to actual savings because family health insurance is budgeted but not all staff elects family coverage. Diane Brennan noted that the savings depends on the people in the positions and if someone elects to change benefits, the savings disappears. Stephen Bannon stated that this could change tomorrow. All positions listed as actual on the chart are filled. Chair Brennan stated that the 2 positions are not less than the MIS position, the budget savings are really due to the change in benefits. Mr. Graczykowski stated that the original amount was \$91,248. The salaries for the IT manager position and the IT specialist are \$55,000 and \$46,805, which may not always be true. Chair Brennan noted that the \$5,492 “other” compensation is Deferred Compensation which has been eliminated from the FY 2013 budget. Mr. Moore stated that additional staff is needed to assist with the School District and the Finance System. Chair Brennan noted that the savings were actually \$9,800 and when you add staff you have to consider that they would elect to change benefits. The request is to add a new FTE and increase from 5 to 6 FTEs. Mr. Bannon asked if there was a need for 6. Mr. Graczykowski stated that the department was significantly short staffed. There was a backlog of work orders. The staff will be cross trained. Some will be dedicated to the schools and police departments but the goal is for staff to be cross trained. Christy Healey noted that the budget allocated the costs 50/50 to the city and schools and

that the actual expenses may need to be allocated differently based on actual time. Mr. Moore stated that all staff is paid under the City and they would need to allocate at the end of the year. Mayor Briden asked if we are creating more staff than necessary so we would have to lay off. Kelly Ahrens stated that the staff is just getting back to where we were 5 years ago. The staff is needed to get back to where the City was 5 years ago. Also the school department is requiring increased support. This item was unanimously approved.

Item #3a - Request to post Information Technology Manager position - The item was unanimously approved.

Item #3b - Request to post Budget Analyst position and Group Leader/Deputy Tax Collector position in the Finance Department – Mr. Moore stated that he would like someone dedicated to budget development and budget to actual reporting. The Deputy Director will have oversight functions but will primarily work on accounting. This is a request to post the Budget Analyst position and the name would be submitted for Budget Commission approval. This position was unanimously approved. The Group Leader position was needed because the former Group Leader retired. There is a change in the Tax Collection Division, formerly the Treasury Division, from 6 FTEs to 5 FTEs. The Group Leader would start at a lower step, but will not get longevity as longevity was frozen at the dollar amount of an employee's current longevity. This item was also unanimously approved.

Item #3c - Request to post seasonal summer positions in the Parks and Recreation– Diane Sullivan, Director of the Recreation program briefed the Commission. As of 2012 the program started a consolidated camp and charging for the program. It was successful last year. It used to be a multi-site program for free. Last year it was held at Pierce Field and the City charged \$20 per week plus additional for field trips. This year, the Division has partnered with the summer Hasbro learning initiative with the YMCA. There will be certified teachers on staff, free breakfast and lunch, and extended hours. The Division is asking to hire temporary staff for program counselors to provide supervision. Last year there were 156 kids. There is capacity for 200 kids, but it could be lower. Mr. Graczykowski asked if the positions would be advertised. Ms. Sullivan stated that it was primarily word of mouth but that the Division would work with HR to recruit. Last year the net expense was \$29,000. The revenues were \$13,000 for the \$20 per week fee. The Division uses mini-buses owned by the City. The temporary staff works 7 hours per day, 35 hours per week. There is also a \$2,300 grant for staffing. The program starts 7/8 with staff orientation on 7/2. Applications have already been received. The City has looked at the cost in other communities. There is \$78,000 available in the temporary salaries budget and the estimated cost of the seasonal positions is \$43,000. The deadline for applications is June 21. Some children will attend for part of the time. This year the cost is \$50 per week and it includes meals. The teachers are grant funded and will not cost the EPSD. The program is at Pierce Field but will include classroom instruction. Mayor Briden asked if there was financial aid and Ms. Sullivan stated that the Division would work out payment plans if needed. The item was unanimously approved.

Item #3c - Request to hire temporary Van Diver in the Senior Services Department – Mr. Graczykowski stated that this is a part time position needed due to the leave of the current driver. It is part time with no benefits and there is no additional cost. The item was unanimously approved.

Item #4a - Request to post HVAC position in the Facilities Division – Kim Mercer stated that there is not currently an HVAC position. The EPSD calls in companies for emergencies. There is no preventative maintenance. She has reviewed the request with Ed Catelli, the facilities director. There are 31 buildings in the City and School and no one is doing preventative work. Last year \$170,000 was spent on plumbing and HVAC issues through vendors for emergencies with no maintenance. Mr. Graczykowski noted that the rates were high for vendors. They City can't afford to retain the vendors.

The HVAC position has been requested in the past. Ms. Mercer noted that there were restrooms out of order and water fountains with plastic bags over them. She stated that the EPSD had the funds for the position. Mr. Gracykowski stated that the City had Plumbers and HVAC positions in the past. Mr. Moore stated that the Council 94 Contract had a minimum staffing of 41 custodial and maintenance positions so 2 were needed. Ms. Mercer stated that Mr. Catelli felt that a full time plumber could handle the workload, but the HVAC requirements would need an FTE and still may need contractors. Ms. Brennan noted that the HVAC position was requested on 11/15/13 and the Budget Commission had requested an analysis of current spending. Ms. Mercer stated that the district had spent \$90,000 on HVAC contractors for emergencies only (Note: the vendor data had been provided in advance but was inadvertently excluded from the handouts). This item was unanimously approved.

Item #4b - Request to post Plumber position in the Facilities Division - Ms. Mercer stated that the FTE could handle the district's needs without additional contractors. A member of the audience asked if the Plumber should also be a licensed pipe fitter. Ms. Mercer stated that she would review with Mr. Catelli. Ms. Healey noted that the BPR had removed \$80,000 for a former plumber position because at the Department Head meeting in early 2012, the Commission was told that the position was not necessary. Ms. Mercer stated that \$86,000 was spent on vendors last year (Note: the vendor data had been provided in advance but was inadvertently excluded from the handouts). This item was unanimously approved.

Item #4c - Request to appoint full-time Science teacher – This item was tabled at the request of the EPSD.

Item #4d - Request to appoint full-time Math teacher – Ms. Mercer stated that this is a full-time position. 2 teachers are job sharing in the upcoming year. Both are 2/5 with no benefits. One additional full-time math teacher is needed. The position was unanimously approved.

Item #4e - Request appoint full-time Cosmetology teacher – Ms. Mercer stated that the position is at the Career and Technical School and is needed due to enrollment. The position is funded with federal Perkins funds. The position was unanimously approved.

Item #4f - Request to increase Art Teacher from 2/5 to 4/5 – Ms. Mercer stated the request is to increase an art teacher at the high school from 2/5 to 4/5. Ms. Brennan stated that the request had been in front of the Commission before but the former Superintendent had retracted the request. Ms. Mercer stated that the art class was a requirement for graduation. The number of classes needed to be increased to accommodate the number of students. She noted there were savings elsewhere in the budget, which she is tracking. The item was unanimously approved.

Item #4g - Request to post Response to Intervention Coordinator – This request was tabled at the request of the EPSD.

Item #4h - Request to post Title I Literacy Coach – Ms. Mercer stated that this position would be financed with federal Title I money and would only be filled pending funding availability. The position was unanimously approved.

Item #5 - Approval of minutes from the May 23, 2013 meeting – Unanimously approved.

Item #6 - Additional Commission items – Ms. Healey stated that there was an item on the BPR for \$6.5 million that was intended to resolve the EPSD cumulative deficit. However, there was subsequently a

resolution that any year end surplus must go into the rainy day fund. The Commission needed to clarify its intent with regard to the cumulative deficit. There was language prepared by the City's legal counsel to clarify that would need to be agreed upon and included in today's minutes. Mr. Moore noted that he would also like to reserve funds for contingencies due to potential litigation. Ms. Brennan stated that the clarification was for the cumulative deficit but not contingencies. The Commission needed to clarify its intent when it adopted the BPR for the FY 2012 revised budget. Mr. Moore stated that he was unable to get a legal opinion as to the contingency amount necessary. The Commission agreed to the language provided by the City's legal counsel as follows:

In connection with the completion of the audit of the City's Fiscal Year 2012 Financial Statements, the Budget Commission hereby confirms that at its May 3, 2012 meeting, the Budget Commission approved an appropriation and transfer of an amount not to exceed \$6,500,000 which was the amount of the City's projected cumulative surplus, to the School Department, to reduce or eliminate the School Department cumulative deficit, provided, however that the transfer be no more than was required to eliminate the School Department's cumulative deficit. This appropriation and transfer appeared on subsequent Budget Planning Reports ("BPRs") and was authorized in advance of the effectiveness of the Resolution of the Budget Commission Related to the Rainy Day Fund under Rhode Island General Laws Section 45-14-1 which was adopted by the Budget Commission on May 17, 2012 and amended on February 28, 2013.

This item was approved by Mr. Graczykowski, Mr. Bannon, and Chair Brennan. Ms. Healey approved the motion although it is noted for the minutes that she was not a voting member of the Commission on May 3, 2012 although she was present at the meeting and recorded the minutes. Mr. Briden abstained, as he was not a member of the Commission on May 3, 2012.

Ms. Brennan asked about the cash flow for the City and requested updates at the meetings going forward. Mr. Moore stated that there was a slight issue with cash flow as the City had just paid the summer payments to teachers and was waiting on tax revenues. Bills were late due to the revaluation. The City is not current on bills but should be caught up by next week. Some payments were held due to cash flow issues. Ms. Healey asked about the holding of payments because the non-payment of vendors such as Bradley Hospital was one of the reasons the Commission was brought in. Mr. Graczykowski stated that it was not a problem and all vendors will be current. The fiscal year change is needed and First Southwest is assisting the City with the change.

Item #7 - Schedule and agenda for next working group session(s) – Next meeting scheduled for June 27, 2013 at 3:00 p.m.

The meeting is adjourned at 4:21 PM.

Approved by the EPBC on June 27, 2013.

EPBC/ch